



Mississippi Automated Registration Vehicle Information Network

MARVIN News

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Be sure to share the newsletter with everyone in your office!

February 2017 | Issue 6

244 DAYS UNTIL ROLLOUT!

October 9, 2017

Training Update

The Training team is in the final stages of securing training facilities for MARVIN training.

Training will take place throughout the state and will be delivered in three different tiers. Tier One is computer based training modules. Tiers Two and Three are instructor led classroom style training with Tier Two focusing on MARVIN fundamentals and Tier Three on job specific training.

You will receive more information and class registration forms as soon as training sites are booked.

MARVIN Test Drive



Get ready! We are excited about our upcoming "MARVIN Test Drive" and want you to be a part of it. Starting this month we will be traveling to all 82 counties to provide users with the opportunity to try out MARVIN.

Participants will perform simple tasks such as registering and titling a new vehicle, surrendering a tag, applying a credit, closing out the receipting drawer, and more.

Lisa Chism will be in direct contact with each county to confirm the date of their visit. Be sure to let your office know that we are coming your way!

New Business Process Changes

Exciting things are in store as we gear up for the MARVIN launch in October. With this project moving as fast as the weather changes in Mississippi, we have a lot to show you.

For example, we have some changes that will be affecting how you are currently performing your job duties. Each month moving forward, we will be providing you information on these changes. So be on the lookout for each newsletter to see how MARVIN is changing for you!

In this issue, we will discuss Renewals, Casual Sales/Use Tax, and Trauma Care Fund Fee.

Renewals

When MARVIN goes live in October of this year, taxpayers will have the ability to renew their tag three months ahead of their expiration except for the months of October, November, and December. The reason these months have the exception is the change of millage rates for the counties fiscal year. Since millage rates change in October, these taxpayers will not be able to renew until MARVIN has the current millage rates. Once the millage rates are entered in MARVIN, taxpayers will be able to renew early.

Renewal cards are a courtesy that DOR provides for the county tax collectors to notify their taxpayers of their upcoming vehicle renewal. October renewal cards, printed from legacy, will be the last batch provided by the DOR.

We are changing the process for renewal cards. DOR will provide the counties an electronic file of renewals you may print at your convenience on laser printers. The renewals have been redesigned to fit on an 8 1/2 X 11 inch sheet of paper, and you will be able to fold them for window envelopes so the mailing address will appear in the window. We understand this could be an extra cost on the county budget. Hopefully, you will be able to address this in your next year's budget. For those counties that use Diversified to print your renewal cards, we will continue to provide the electronic file with no changes to design (postcard size). Currently, 53 counties use Diversified to print and mail their renewal cards for a fee of \$0.33 per card.



Trauma Care Fund Fee

Trauma Care Fund Fee is for new and not previously registered motorcycles and new all-terrain vehicles (ATV) purchased out of state and coming into MS. This is a one-time fee of \$50.00. MARVIN will automatically charge this fee when you choose the purchase type of out of state dealer.

Casual Sales Tax

We have had extensive meetings with the Sales Tax Bureau to make sure that we are capturing sales and use tax correctly in MARVIN. With MARVIN, we are making it very easy on the clerks to issue a title and registration of the vehicle and also collect the correct amount of sales and use tax. During the last two short verification testing sessions, we have found that counties are collecting sales and use tax differently, and we want to make sure that we are uniform based on sales tax law. Now, MARVIN will be doing the calculations behind the scenes so that the clerks can collect the correct amount.

We also want to share with you what was addressed during our verification testing sessions. Most of you know that casual sales tax is a formula. The calculation is as follows: $\text{Assessed Value} \times 3.333 \times 5\% = \text{Casual Sales Tax}$

Casual Sales Taxes are due on transfers of title involving the following entities:

- Sales or transfers between individuals
- Abandonment Vehicles
- LLCs
- Irrevocable Trusts

Partial Casual Sales Taxes are due on the following:

- Vehicles titled in both the husband's and wife's names which are not addressed in a divorce decree that are subsequently transferred to either the ex-wife or ex-husband:
 - $\frac{1}{2}$ amount of casual sales tax is due from the recipient of vehicle
- Individual Sales (No Cash Exchange)
 - Owner who acquires the higher assessed vehicle will need to pay the casual sales tax on the difference between the two vehicles.
 - Owner who acquires the lower assessed vehicle will not pay casual sales tax
- Dissolution of Partnership Purchases (one partner received vehicle previously owned by the partnership):
 - Partner owns 25% of business – pays tax on 75% of assessed value
 - Partner owns 50% of business – pays tax on 50% of assessed value
 - Partner owns 75% of business – pays tax on 25% of assessed value



Exemptions for Casual Sales Tax

Exemptions for Casual Sales Taxes are listed below:

- Transfers between non-dealers where vehicle is 10 or more years old
- Purchased from In-state Dealer (Dealer collects sales tax)
- Transfers pursuant to a will or according to laws for the disposition assets of one who dies without a will
- Transfers of vehicles currently registered in the transferor's name between Parent and Child, Husband and Wife, Grandparents and Grandchildren, Step-parents and Step-children or between a Legal Guardian and the Guardian's Child
- Transfers from outside Mississippi by someone who was resident of another state and who has moved to Mississippi
- The change in Title from an individual with a DBA name to the individual. Example: Name on title is changed from Joe's Wrecker Service to Joe Smith (Joe Smith is the sole owner of Joe's Wrecker Service which is not an LLC or corporation)
- Transfers between an Individual and a Revocable Trust
- Transfers between divorced husband and wife when done pursuant to the divorce decree
- Rental Vehicles

Vehicles not subject to the casual sales tax:

- Trailers
- ATVs
- Trucks exceeding the 10,000 lbs gross vehicle weight



Use Tax

Use tax is due when a vehicle is purchased from an out of state dealer and brought to Mississippi to register for the first time. The taxable base for Use tax is calculated as the taxable purchase price less the trade-in allowance less any non-taxable items. The taxable base is then multiplied by the appropriate tax rate. This is another process that will be different in MARVIN than how it is currently being practiced in county offices. All taxable items on the bill of sale will be included in the purchase price, and the price of any non-taxable items will also be captured so that the electronic records will tie back to the supporting documentation.

Calculating Use Tax

How to calculate Taxable Base for Use Tax on a new vehicle:

- Purchase Price - Trade-In Allowance - Non-Taxable Items = Taxable Base
- Taxable Base X Use Tax Percentage = Use tax due

Purchase Price will be the amount the customer paid for the vehicle. Trade-In Allowance is the amount given to the customer for another vehicle traded for a new vehicle. Taxable Base is the amount on which use tax will be calculated times the use tax percentage.

Use Tax is different because it is calculated on different percentages depending on the type of vehicle. MARVIN is being developed to calculate all of these different percentage for you.

The different percentages are listed below with list of vehicles requiring the percentages:

- 1%
 - Light Carriers of Property to Electric Power Associations greater than 10,000 GVW
- 3%
 - Intrastate (Heavy Trucks) with GVW over 10,000
 - Semi/Full Trailers
 - Light Carriers of Property to Electric Power Associations 10,000 GVW or less
 - Taxi Cabs
 - Ambulance (including Hearse)
- 5%
 - Personal Passenger Vehicles
 - Passenger
 - Pick up (GVW less than 10,000)
 - Motor homes/RVs
- 7%
 - Motorcycles
 - LSV
 - Autocycles
 - Private Trailers
- Vehicles Not Taxed
 - Homemade Trailers
 - Vehicles owned by Government (county/city) owned utility company
 - Government vehicles

A big topic during verification testing was on vehicles that transfer into the state without a current registration and business vehicles moving into the state.

We look forward to providing more changes next month and hope this has been helpful to you. We can't wait until our launch on October 9, 2017 as MARVIN makes its first appearance in the county offices.



MARVIN SPOTLIGHT



SCOTT ROEMMICH

Scott and his team are responsible for extracting data from the legacy system and making sure that the extracted information is then imported correctly into MARVIN.

Most days you will find Scott running about nine miles to and from work...and he also sneaks in a few workouts throughout the week! Scott just competed in the Rock and Roll Marathon in New Orleans this past weekend. Go Scott!



10 QUESTIONS IN 30 SECONDS

1. What is the one thing you can't live without?
My Bible.
2. What is your favorite sports team?
The Duke Blue Devils! Go Coach K!
3. What is your favorite thing to do?
I like to go hiking in the wilderness.
4. What is the best place you've traveled to?
Bangkok, Thailand.
5. What's something that would surprise us about you? .
I won the High School State Basketball Championship in ND.
6. If you could do another job for just one day, what would it be?
Farming - driving the Combine Harvester.
7. If you win the lottery, what is the first thing you would do?
I would travel the world.
8. What is your dream place to visit?
Rome, Italy.
9. What is your favorite food?
Cheeseburgers! And bread pudding for dessert.
10. Fun fact?
When I was 7 years old, I stole a stick of gum from my dad's secretary's desk. When he found out, he drove me to the sheriff's office and left me in a jail cell by myself for ten minutes!! From then on, I vowed to never ever break the law again!

